

2024

Special Award for TPM Achievement

Sigma Alimentos Plant Eugenia (Butters and Margarines)



SIGMA ALIMENTOS, EUGENIA PLANT

1/22/2024





SPECIAL AWARD FOR TPM ACHIEVEMENT



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COMPANY: SIGMA ALIMENTOS PLANT EUGENIA

PLACE: EL SALTO, JALISCO, MÉXICO

DATE: JANUARY 2024

SIGMA ALIMENTOS, PLANT EUGENIA

1. - PERFIL DE LA EMPRESA

Alfa is a globally recognized company that manages a diverse portfolio of businesses: Alpek and Sigma.



Petrochemicals



#1 in the production of PTA, PET, rPET and EPS in the Americas, and of polypropylene in Mexico. It operates companies in two business segments: Polyester, Plastics and Chemicals, in the Americas, Europe and the Middle East.



Food Products



A leading global food company that produces, markets and distributes refrigerated meats, cured meats, cheeses, yoghurts and other refrigerated, frozen and plant-based foods through recognized brands in Mexico, Europe, the USA and Latin America.

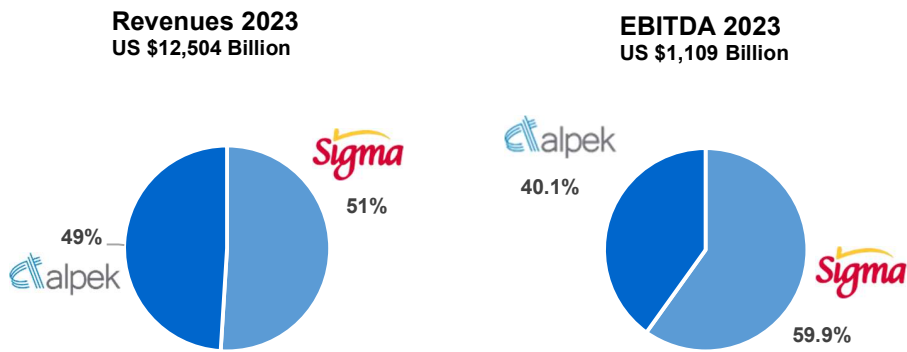
It has 103 plants in 25 countries in the Americas, Asia, Europe and more than 57,700 employees.

\$	Sales (US \$ Billion)	12.5
📊	EBITDA (US \$ Billion)	1.1
🏭	Operations (Countries)	25 ^A
🌐	Sales Outside Mexico	62%
👥	Employees	~ 57,700



In 1980 the ALFA group entered the food market by acquiring a group of companies and formed Sigma Alimentos.

59.9% of the ALFA Group's total EBITDA is contributed by Sigma, a leader recognized for the quality of its products worldwide.



Sigma Alimentos has the firm conviction to expand its portfolio of meat, dairy and prepared food products to offer the favorite foods to every community, not only through organic growth but also through a series of mergers and acquisitions that have allowed it since 1997 to incorporate recognized and successful brands to its product portfolio.



SIGMA ALIMENTOS, PLANT EUGENIA

Sigma Alimentos has 64 plants and 179 distribution centers in 17 countries. It has the largest refrigerated distribution network in Latin America, serving 680K+ points of sale, with a solid portfolio of leading brands, some of them with more than 80 years of tradition.

64 Manufacturing Facilities
 179 Distribution Centers
 680K+ Points of Sale



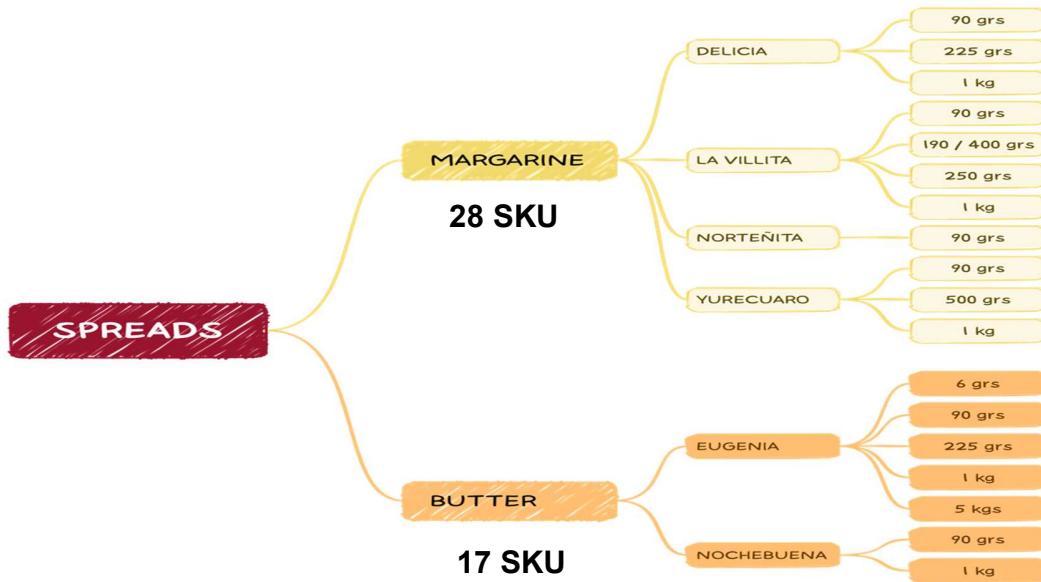
Sigma Eugenia Plant

Planta Eugenia was founded in 1938 as a family business, from that moment on, the brand began to position itself in the market, achieving consumer preference. In 1994, operations began in the current facilities located in El Salto, Jalisco, in western Mexico, and in 2005 we joined Sigma Alimentos, during the process of acquiring the brands of the New Zealand Milk Mexico group.



Eugenia Plant

The Eugenia Plant is strategic because it is the only plant that manufactures margarines and butters for Sigma in Mexico. Currently, total production is distributed nationally with an average monthly volume of 1,568 tons, of which 78% corresponds to margarines and 22% to butters.



The work force of the Eugenia Plant is made up of 152 employees distributed in 3 shifts operating 6 days a week.



2.-MILESTONE ON THE JOURNEY OF MANUFACTURING EXCELLENCE

Eugenia Plant started the implementation of the TPM methodology in 2011 under the guidance and advice of the JMAC consultancy and currently with the JES consultancy.

On 14 May 2012, a Kickoff event was held for the start-up of TPM activities, starting with 5 pilot autonomous maintenance teams and with the participation of management and key personnel, to understand the methodology through their own experience.

After 5 years of learning the methodology, in 2017 we obtained the Excellence Award category A, and later in 2019 we renewed our commitment to maintaining and improving our results, thus obtaining the Consistency Award for Excellence TPM category A with the collaboration and enthusiasm of all the staff working in Eugenia Plant.



In 2020, faced with the threat of the global pandemic caused by COVID-19, it was thanks to the strong and systematic organization achieved with TPM that we were able to avoid health risks for our employees and continue to supply our products to supermarkets, ensuring food availability in those difficult times. With the preventive approach and the systematic reduction of losses, we prevented price increases and shortages of some raw materials from affecting the continuity of our operations. And now, in 2022 we are again eligible for the JIPM Special Category Award.



3.-BENEFITS ACHIEVED

Through the knowledge and experience of TPM applied over the years, we have been able to capitalize on benefits we never thought possible. The change in culture is noticeable and this has allowed us to get out of our comfort zone and challenge ourselves to change our work, training, and asset management schemes in our plant.

Staff training in the different pillars of TPM has helped us develop skills to detect anomalies in equipment and processes, be more analytical, make better decisions and migrate from a corrective to a preventive system, being aware of the impact of losses in the processes. All this has helped us to reduce losses, be more productive, improve the work environment and implement improvement projects to achieve operational excellence.

- We increased our productivity by 33.7%.
- We extend the useful life of our equipment, we currently have 4 machines in our process that are already depreciated, fully renovated, and produce without increasing the cost of our products.
- 30 devices have been developed to automate and facilitate the operation of the equipment, which translates into savings of more than USD \$202,025.00.

4. - KEY OF OUR MANUFACTURING EXCELLENCE

A key factor was the alignment of efforts across the corporate strategic direction and our plant's competitive strategy, cascading objectives to define priority actions throughout our organization in order to maximize results. We are focused on activities that lead us to be a special plant, generating greater profitability from our products and listening to the voice of the consumer to develop new products and/or improve current ones based on the needs of our customers, consumers and buyers.

We expanded our reach both internally and externally by involving suppliers to our consumers, now the adoption of the TPM philosophy not only permeates within our plant, but we are also ambassadors of improvement by taking the system throughout the supply chain, thus generating a competitive advantage to achieve the greatest utility and benefit for our consumers.



5.- ACHIEVEMENT RECORD

2023 TPM Award -Achievement Sheet					
Company & Plant Name			SIGMA ALIMENTOS LACTEOS SA DE CV, EUGENIA PLANT		
Category	Index (Calculation Formula)	Unit	BM TPM Started (or last time awarded)	Actual Status	Target
	Enter the year →		2019	2023	2023
S	Number of work-related accidents requiring days off work	Cases/ year	13	1	0
S	Number of work-related accidents not requiring days off work	Cases/ year	36	9	0
P	Productivity for main products	Parts/Operator hours	54,492	72,853	72,500
P	OEE (or Overall Plant Efficiency)	%	88.2	89.75	91
P	Performance Rate	%	96.8	98.71	98.5
P	Quality Products Rate	%	99.77	99.972	99.96
P	Number of Breakdowns	Breakdowns/ year	3	2	0
P	MTBF	Hour	58	623.7	624
P	MTTR	Hour	1.8	0.3	0
Q	Number of Customer Complaints	Number/year	1	0	0
Q	In-line defect rate (scrap)	%	0.02	0.01	0.01
Q	In-line defect rate (Rework)	%	0.64	0.26	0.4
C	Cost Index	Cost/Unit Cost/Kilogram	4.55	4.5	4.5
D	Production Lead time	Days	54.5	30.3	30.3
D	Delivery Performance	%	99.29	99.8	99.8
S	Safety Index	Accidents per 1,000,000 operator hours	0	29.138	0
M	Number of Employee Suggestions	Number/year	3,032	6,057	6,218

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